



I.D.E.A. Industry Update - January 14, 2004

I.D.E.A. 5th Annual General Meeting and Conference

The I.D.E.A. 5th Annual General Meeting and Conference will be held Thursday January 29 and Friday January 30, 2004 at the Howard Johnson Hotel, Canmore Alberta (1402 Bow Valley Trail, Canmore, AB, Toll Free: 1-888-678-4656). This year, we are thrilled to feature Donald Cooper as our keynote speaker. Drawing from his unique experience as both a world-class manufacturer and an award-winning, innovative retailer, Donald Cooper delivers the “straight goods” on how to increase market share and profitability in the face of ever increasing competition. His insights of Human Marketing® are intended to help reinvent your business to add more value to your customers’ lives and more dollars to your bottom line. Since 1991, Donald has won seven Awards of Excellence for marketing, including the Retail Council of Canada’s Innovative Retailer of the Year. **This is a can’t-miss event . . . have you registered yet?** See the attached form for registration details.

Thanks to our Sponsors

I.D.E.A. extends deep thanks to our 2004 sponsors: PLATINUM LEVEL – Agrium, Interag, Ramboc Enterprises, Syngenta; GOLD LEVEL – Saskferco, Simplot; SILVER LEVEL – AgResource, Brett-Young Seeds, Dow Agrosiences, Linear Grain Inc., Nexus Ag, NorthPoint Distribution Inc., Univar; BRONZE – Becker Underwood, Kenmex, MaXfield Inc., Northstar Seed Ltd., Polywest, Rancan Fertilizer Systems Inc.

Oat Processor Welcomes Check-Off, by Rae Groeneveld

The Prairie Oat Grower Association’s (POGA) recently announced intention to move ahead with a check-off on prairie oat production is welcome news to a large North American company, known for its place at the breakfast table.

"I think that is what oats needs in Canada," stated Bruce Roskens, Senior Manager of Agriculture Research and Commodity Development with Quaker Oats. "It needs that spurring on by producers to show

they are not just producing a crop, they are making a food ingredient. We buy Canadian oats because we believe they are best available in the world for human consumption."

However, Roskens thinks there is still room for improvement, noting agronomically yields can be increased and the quality of the crop can be enhanced, but he wants to see improvements in areas where the consumer will find benefits.

"Maybe we can come up with a super-high beta glucan oat that you only have to have a couple tablespoons a day to take care of lowering your cholesterol. We are just getting into nutraceuticals where oats are being looked at for diabetes control and things like that."

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Roskens thinks this area requires a great deal of attention and research and having farmers drive that through a check-off is something that will pay dividends.

"The politicians listen to the producers and to the groups that are active, promoting their own industry."

Citing examples such as the National Corn Growers Association and American Soybean Association in the U.S., Roskens said these farmer-run organizations have set their own direction, while gaining support of governments. He thinks the same type of thing can occur for oat producers through the funding from this check-off.

Saskatchewan is the largest oat producer in Canada with more than 1.5 million acres seeded to the crop annually, worth a value of around \$150 million. Saskatchewan oat acreage and production has tripled since the early 1990s and is now one of the largest oat-producing areas in the world.

As Quaker Oats continues to deal with a changing consumer environment, they want farmers to stay up to date with what the consumer wants.

"Less and less of the families are sitting down to breakfast - certainly less than 50 years ago, even less than 10 years ago. We are a society on the run."

That busy lifestyle has led to a demand for tastier, easier and quicker meals. As a result, Quaker has had to produce products that people can eat on the go. Breakfast bars and other items are the trend for the future. Having farmers producing oats to meet this changing consumer lifestyle is something Roskens thinks is important.

"I think you're going to see all of the food manufacturers really look at the delivery mechanism for a healthier food product in a convenient form that may have 30 different flavours." *(Reprinted in part from the AgExpert Express newsletter by permission of AgExpert Management Software and Farm Credit Canada.)*

New Low-Card Chips Made with Soy Protein

Snack foods company Frito-Lay said Wednesday it is introducing two new types of chips to capitalize on the popularity of low-carbohydrate diets.

The two new products, called Doritos Edge and Tostitos Edge, will cut out 60 percent of the carbohydrates that are in regular Doritos and Tostitos.

Frito-Lay, a unit of PepsiCo Inc., has already eliminated trans fats from its brands. Trans fats, which give products a longer shelf life, have been linked to heart disease.

The new chips will use soy proteins and fiber as substitute ingredients, the company said in a statement. Both Tostitos Edge and Doritos Edge will have six net carbohydrates, 10 grams of protein, and three grams of fiber.

The low-carb craze, popularized by the high-protein Atkins diet, has food companies rolling out new products to jump on the bandwagon.

Anglo-Dutch food group Unilever said on Wednesday it has launched a variety of low-carb products in the U.S. markets under existing brand names such as Ragu, Wish-Bone, Skippy, Lipton and Lawry's.

Fast food chains McDonald's Corp. and Burger King revamped their menus to cater to customers counting their carbs.

The alcohol industry is also taking notice. Anheuser-Busch Cos. Inc.'s low-carb Michelob Ultra beer has been a big profit driver for the past year and Adolph Coors Co. is rolling out Aspen Edge beer to take a part of the health-conscious market.

Spirits companies such as Diageo Plc. are using their advertising to point out that many of their drinks have always been low carbohydrate offerings.

Doritos Edge is currently being tested in Phoenix, and both products will be available across the United States in May. *(Source: Reuters)*